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July 13, 1955

The Honorable  
The Director of the Bureau of the Budget  
Bureau of the Budget  
Washington 25, D. C.

Dear Mr. Hughes:

On 29 June the Hoover Commission submitted to the Congress its report on the intelligence activities of the Federal Government. One of the recommendations of the Commission, and of its Task Force headed by General Mark Clark, concerned the salaries of senior officials of the Central Intelligence Agency. The Commission recommended that, in view of the added responsibilities placed on the CIA positions, the salary of the Director be increased to the equivalent of the pay of the Deputy Secretary of Defense, and that the salary of the Deputy Director of Central Intelligence be increased to that of Under Secretaries in the Executive Departments. The Commission also recommended that operating directors of areas of responsibility in intelligence be provided with proportionate salaries.

The salary of the Director of Central Intelligence is presently \$16,000, as established by Section 4 of the Executive Pay Act of 1949. The salary of the Deputy Director of Central Intelligence was established at \$14,000 by Section 6(a) of the same Act, and it was subsequently raised to \$14,800. The salaries of all other officials of the Agency are established administratively in accordance with the General Schedules set forth in the Classification Act of 1949, as amended. In furtherance of the Hoover Commission recommendations, and after comparison with equivalent responsibilities in other Departments of the Government, it would also seem appropriate to establish statutory positions for six "principal assistants to the Director" with basic compensation equivalent to Assistant Secretaries in the Executive Departments.

I concur wholeheartedly in the recommendations of the Hoover Commission with regard to this matter and request that they be carefully considered in connection with proposals to amend the Executive Pay Act of 1949 which I understand are now under consideration.

Sincerely,

(Signed)

Allen W. Dulles  
Director

cc - Mr. Philip Young  
Chairman, Civil Service Commission

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